

**Tax Provisions
Affecting Idaho**

**Economic
Stimulus**

Income Tax 101

Income

Less Exclusions

Less “Above-the-Line” Deductions

= ADJUSTED GROSS INCOME

Less Personal Exemptions

Less Deductions (Standard or Itemized)

= TAXABLE INCOME

CONFIRMITY

= Tax

Less Credits

= TAX LIABILITY



A photograph of a large crowd of people, mostly men, standing in front of a building. A large sign on the building reads "UNEMPLOYMENT". The people are standing in a line, and the scene appears to be from a historical or documentary film.

UNEMPLOYMENT

**Temporary Exclusion
of First \$2,400 of
Unemployment
Benefits**



“Above-the-Line” Deduction for Sales Tax on New Car



Bonus Depreciation & Section 179 Deduction



NOL Carrybacks

A stack of old, yellowed papers, possibly receipts or documents, is shown. A prominent red stamp with the word "PAID" in a bold, serif font is visible on one of the papers. The papers are slightly crumpled and layered, with some showing perforated edges. The overall lighting is warm and slightly dim, emphasizing the aged nature of the documents.

Cancellation of Debt Income



Gains on Small Business Stock

This certifies that _____ is the owner of _____ shares of the _____ Corporation, a corporation organized under the laws of the State of _____, and that the same are transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly indorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officers and its Corporate Seal to be hereunto affixed this _____ day of _____ A.D. 19____

DECEMBER 2006

THE COMPLETE
Internal Revenue Code

All the Income, Estate & Gift, Employment, Excise, Procedure and Administrative Provisions
Updated to reflect all tax legislation through December 15, 2006

**S Corporation
Built-in Gains**

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SUMMARY

	<u>FY 2010</u>	<u>FY 2011</u>
Property tax addition to standard deduction	\$ 2,000,000	\$ -
Unemployment benefit exclusion	4,700,000	-
Sales tax deduction for autos	1,680,000	-
Bonus depreciation & Sec. 179:		
Already adopted for 2008	120,000	(1,540,000)
In Stimulus Package for 2009	5,000,000	120,000
Cancellation of debt income	400,000	400,000
Small business capital gains	-	-
S corporation built-in gains	200,000	200,000
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TOTALS	<u>\$ 14,100,000</u>	<u>\$ (820,000)</u>



Consequences of Non-conformity:



2008 INDIVIDUAL TAX RATES

<u>Rate</u>	<u>Taxable Income</u>
1.67%	\$0-\$1,271
3.67%	\$1,272-\$2,543
4.12%	\$2,544-\$3,815
5.12%	\$3,816-\$5,087
6.12%	\$5,088-\$6,359
7.12%	\$6,360-\$9,539
7.45%	\$9,540-\$25,440
7.89%	Over \$25,440

A married couple living in Idaho makes **\$65,000** in 2009.

After subtracting their standard deduction (**\$11,400**) and their exemptions (**\$3,650** each), their taxable income would be **\$46,300**.

The additional 2009 income tax for this couple would be: **\$46.30**.

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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[illegible]

2007	2008	2009	2010	2011	2012	2013	2014	2015

Taxable income less than \$1,000	\$20	\$50	\$60 <u>\$50</u>	\$70	\$80	\$100	\$100	\$100	\$100
Taxable income over \$1,000	\$20	30	\$40 <u>\$30</u>	\$50	\$60	\$70	\$80	\$90	\$100
Additional credit for seniors	\$15	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20

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